

Exhibit No. 2Date 3-9-07Bill No. HB 139Legislative Branch
Retirement Planning

Retirement Eligibility/Liability by Division				
	LSD	LFD	LAD	Branch Total
Number eligible to retire within 5 years	20	5	9	34
Percent of staff eligible to retire in 5 yrs	38%	28%	17%	27%
Termination pay liability as of 10/06	\$319,455	\$217,174	\$193,021	\$729,650
Estimated liability as of 4/07 (end of session)	\$623,327	\$423,752	\$376,969	\$1,424,047

Retirement Liability by Year Eligible to Retire (Cumulative)						
	immediate	1 year	2 years	3 years	4 years	5 years
Number eligible to retire (cumulative)	9	12	16	22	30	34
Liability as of 10/06 (cumulative)	\$236,519	\$317,986	\$375,865	\$529,305	\$647,536	\$729,650
Estimated liability as of 5/07 (cumulative)	\$461,611	\$620,609	\$733,571	\$1,006,233	\$1,263,788	\$1,424,049

Recommended reserve:

Midpoint of cyclical low and high liability \$554,718
 Assume 75% of those eligible in next 2 years will retire \$416,039

Recommended reserve, 2009 biennium

\$400,000**Notes:**

"Retirement eligible" is defined as an employee who reaches age 60 or 30 years of service, whichever comes first

Staff members may have purchased retirement years and be eligible earlier than assumed for this analysis.

Staff members may terminate state employment without retiring. Contingency for those termination payouts are not included.

No allowance for higher termination liabilities due to pay plan increases are included in this analysis.

It is assumed in this analysis that full payout will be made for accrued vacation leave, sick leave (25%), and comp time

	<u>10/06</u>	<u>4/30</u>
Liability: Vacation	45%	33%
Sick Leave	40%	21%
Comp Time	15%	46%